



Jason C. Glas
Vice President
Commercial Banker

September 28, 2016

JWM Ventures, LLC
Attn: John McDonald
10161 Park Run Drive, Suite 150
Las Vegas, NV 89145

RE: Downtown Development Projects for Valdosta, GA

Dear Mr. McDonald:

I appreciate the opportunity for Ameris Bank (“Bank”) to outline this loan proposal for the acquisition and development of a hotel, customer service center, and parking facility in Valdosta, GA by JWM Ventures, LLC (“Borrower”). **PLEASE NOTE, this proposal is for discussion purposes only and does not constitute a lending commitment on the part of the Bank. This proposal must be approved by our Bank’s Executive Loan Committee.**

Proposed Loan: There shall be three (3) loans in the aggregate amount of Seventeen Million Nine Hundred Sixty Thousand Dollars (\$17,960,000) for twelve (12) months then reduced to an aggregate amount of Twelve Million Four Hundred Sixty Thousand Dollars (\$12,460,000) post-construction and allocated as follows:

1. Wyndham Hotel Construction, SBA 504 approved, 90% LTC Construction (±12,600,000) then 50% LTC post-construction (±\$7,100,000).
2. Valdosta City Customer Service Center: 60% LTC (±\$1,500,000).
3. Parking Facility: 60% LTC (±\$2,520,000).

Purpose of Loan: Acquisition and Development Loan and Mini-Perm Loan for Wyndham Hotel, Customer Service Center for Valdosta City, and Parking Facility in downtown Valdosta.

Condition: At or upon Closing for any construction loan, Borrower shall inject all equity into the construction deposit account and all funding requests will be paid out of the equity deposit account prior to any loan draw requests are funded.

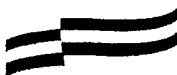
WYNDHAM HOTEL CONSTRUCTION LOAN

Loan Amount: 90% loan-to-cost only with SBA 504 approval and commitment.

Rate/Fee: 1 Mo LIBOR + 295 BPS (Floating); Fee is 55 BPS of the loan amount.

Maturity: Twelve months (12) months

Terms: Interest only payments due monthly





Advances: The general contractor must be pre-approved by Ameris Bank. All general contractor contracts must either Stipulated Lump Sum or Guaranteed Maximum Price. A cost budget must be provided prior to Closing. Retainage will be withheld. Funding requests must be submitted on AIA G702 and G703 forms properly signed by the general contractor, inspector, and all lien waiver certificates properly signed and notarized. The AIA G702 and 703 schedule of values must be the same as the cost budget initially provided.

Collateral: First Real Estate Mortgage and Assignment of Rents & Leases, UCC-1 Fixture Filing Statement, assignment of any and all security documentation as reasonably requested by Bank encumbering the Real Estate. No other encumbrances of the Real Estate will be permitted.

Condition to Funding: Prior to funding any advances for hotel construction, Borrower must provide fully executed leases of at least two (2) tenants in the hotel deemed acceptable to Ameris Bank. The lease must: i) be minimum five (5) year initial terms, ii) the tenant must be experienced in business operations, and iii) rents must be reasonable to environment.

CUSTOMER SERVICE CENTER CONSTRUCTION LOAN

Loan Amount: 60% loan-to-cost only.
Rate/Fee: 1 Mo LIBOR + 295 BPS (Floating); Fee is 55 BPS of the loan amount.
Maturity: Twelve months (12) months
Terms: Interest only payments due monthly
Advances: The general contractor must be pre-approved by Ameris Bank. All general contractor contracts must either Stipulated Lump Sum or Guaranteed Maximum Price. A cost budget must be provided prior to Closing. Retainage will be withheld. Funding requests must be submitted on AIA G702 and G703 forms properly signed by the general contractor, inspector, and all lien waiver certificates properly signed and notarized. The AIA G702 and 703 schedule of values must be the same as the cost budget initially provided.

Collateral: First Real Estate Mortgage and Assignment of Rents & Leases, UCC-1 Fixture Filing Statement, assignment of any and all security documentation as reasonably requested by Bank encumbering the Real Estate. No other encumbrances of the Real Estate will be permitted.

PARKING FACILITY CONSTRUCTION LOAN

Loan Amount: 60% loan-to-cost only.
Rate/Fee: 1 Mo LIBOR + 295 BPS (Floating); Fee is 55 BPS of the loan amount.





Maturity: Twelve months (12) months

Terms: Interest only payments due monthly

Advances: The general contractor must be pre-approved by Ameris Bank. All general contractor contracts must either Stipulated Lump Sum or Guaranteed Maximum Price. A cost budget must be provided prior to Closing. Retainage will be withheld. Funding requests must be submitted on AIA G702 and G703 forms properly signed by the general contractor, inspector, and all lien waiver certificates properly signed and notarized. The AIA G702 and 703 schedule of values must be the same as the cost budget initially provided.

Collateral: First Real Estate Mortgage and Assignment of Rents & Leases, UCC-1 Fixture Filing Statement, assignment of any and all security documentation as reasonably requested by Bank encumbering the Real Estate. No other encumbrances of the Real Estate will be permitted.

STABILIZED TERM LOAN FOR WYNDHAM HOTEL

Loan Amount: Maximum 50% loan-to-cost (projected 40% SBA and 10%+ equity).

Rate/Fee: Prime Rate plus 65 BPS fixed for 60 months; Fee is 25 BPS of the loan amount.

Maturity: Sixty (60) months

Terms: Monthly principal and interest payments based upon a twenty (20) year amortization schedule, per SBA. There shall be no prepayment penalties (excluding fees imposed by SBA).

Collateral: First Real Estate Mortgage and Assignment of Rents & Leases, UCC-1 Fixture Filing Statement, assignment of any and all security documentation as reasonably requested by Bank encumbering the Real Estate. No other encumbrances of the Real Estate will be permitted.

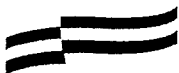
Covenants: Quarterly reporting of hotel operations for the first 12 months, semi-annual reporting every year thereafter. Debt service coverage from hotel operations must be at or above 1.35x.

***STABILIZED TERM LOAN FOR:
CUSTOMER SERVICE CENTER & PARKING FACILITY***

Loan Amount: 60% loan-to-cost

Rate/Fee: Prime Rate plus 50 BPS fixed for 60 months; Fee is 25 BPS of the loan amount.

Maturity: Sixty (60) months






Terms: Monthly principal and interest payments based upon a twenty-five (25) year amortization schedule. Prepayment penalty will be applied for total payoff in a declining scale of 5-4-3-2-1 but there is no penalty applied for partial principal reduction payments that are less than 15% per year.

Collateral: First Real Estate Mortgage and Assignment of Rents & Leases, UCC-1 Fixture Filing Statement, assignment of any and all security documentation as reasonably requested by Bank encumbering the Real Estate. No other encumbrances of the Real Estate will be permitted.

Covenants: Debt service coverage from direct operations must be at or above 1.50x.

GENERAL CONDITIONS

Guaranty: Guaranties shall be required of the following:

 *John McDonald
~~*another individual guarantor may be required for loan commitment.~~

Deposit: Borrower shall open and maintain an unrestricted operating checking account that shall become the Borrower's primary operating account throughout the life of the loan. Loan payments shall be set up on auto-draft and debited automatically from the Borrower's account.

Financial Covenants: The subject facility will be governed by a minimum global debt service coverage covenant of 1.40x – tested annually.

Financial & Information Reporting: The Borrower and Guarantor(s) shall be required to provide the following herein below, and any additional information as the Bank may require:

1. For the Borrower please provide: Proof of Tax Identification, Authorization Documents, Organizational Documents, and Insurance Annual Operating/Income Statements, last three years of Business Tax Returns for all entities/assets related to the entity.
2. Guarantors shall provide annual financial statements certified to Ameris Bank along with Personal Tax Returns, all K-1's, and personal financial statements ≤60 days.

Contingency: This proposal is subject to and contingent upon demonstrated solvency of the Guarantors in the Bank's sole discretion for the Bank's security interest. The Bank may require outside collateral coverage if deemed necessary by the Bank, in the Bank's sole discretion.

Good Faith Deposit: Upon execution of a formal Commitment Letter, and not until then, the Borrower shall provide the Bank with a \$5,000 good faith deposit for the Bank to begin its customary work of appraisals, environmental surveys, title work, payment of attorney fees, etc. The good faith deposit will be applied toward closing costs of this transaction.





It is understood that this letter only constitutes statements of mutual intentions with respect to the transaction contemplated herein and is not a lending commitment because it does not contain all matters upon which an agreement must be reached for the transaction contemplated herein, such as your financial condition and a final valuation of the proposed collateral. This proposal is subject to further review of your financial condition and approval by the appropriate Ameris Bank personnel or loan committee. A binding commitment letter will be delivered to you upon final approval of all terms. **This Proposal is valid until 5:00 pm EDT, October 7, 2016; after said time this Proposal shall become null and void.**

Should you have any questions, please don't hesitate to call me at 229-671-8755.

Sincerely,

Jason C. Glas
Vice President
Commercial Banker

**ACCEPTANCE OF THIS NON-BINDING PROPOSAL
BY BORROWER IS INDICATED BELOW:**

By:

Its:

Date:

CEO/President
9/28/16

